LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

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DATE: AUGUST 4, 2006

FROM: SAMUEL MARTINEZ, LAFCO Analyst

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #6: LAFCO 3030 - City of Redlands Annexation No. 87

(Repp)

INITIATED BY:

Property Owner Petition

RECOMMENDATION:

The staff recommends that the Commission approve LAFCO 3030 by taking the following actions:

- 1. With respect to environmental review:
 - a) Certify that the Commission, its staff and its Environmental Consultant have independently reviewed and considered the City's Initial Study and Negative Declaration for Zone Change No. 423;
 - b) Determine that the City's environmental assessment and Negative Declaration are adequate for the Commission's use as a CEQA Responsible Agency for its consideration of LAFCO 3030;
 - c) Determine that the Commission does not intend to adopt alternatives or mitigation measures for this project, and that mitigation was not required for the project;
 - d) Direct the Clerk to file the Notice of Determination within five (5) days and find that no further Department of Fish and Game filing

fees are required by the Commission's approval since the City, as lead agency, has paid said fees for its environmental determination.

- 2. Approve LAFCO 3030 City of Redlands Annexation No. 87, with the standard terms and conditions:
- 3. Waive protest proceedings, as permitted by Government Code Section 56663(c), with 100% landowner consent to the annexation; and
- 4. Adopt LAFCO Resolution #2930, setting forth the Commission's findings, determinations, and conditions of approval concerning this proposal.

BACKGROUND:

In March 2006, Douglas Snyder, representative for the property owner Erma M. Repp, submitted a property owner petition and the application materials requesting annexation to the City of Redlands of two (2) parcels, Assessor Parcel Numbers (APNs) 0298-042-17 and 18, for a total of approximately 1.15 +/- acres. The study area is generally located along the east side of Wabash Avenue, generally between Mentone Boulevard and Naples Avenue. The annexation area is contiguous to existing City boundaries along its western boundary. Location and vicinity maps are included as Attachment #1 to this report.

The request for annexation was prompted by a septic tank failure on APN 0298-042-17 which has an existing commercial building on the property. Since the property is contiguous to the City of Redlands, extension of sewer service from the City of Redlands is contingent upon annexation. As the Commission is aware, this is a requirement of "Measure U" which was approved by City voters in 1997 and outlined for implementation in the City's Municipal Code Section 13.60.030 (included as Attachment #2).

Since the property owner also owns the parcel directly south of the commercial property, this other parcel (APN 0298-042-18) is also being included as part of the request for annexation. This other parcel is currently used as a storage yard with permits to operate issued by the County.

BOUNDARIES:

The boundaries of the proposed annexation include the two parcels between Mentone Boulevard and Naples Avenue. The annexation site is generally bordered by an alley (an existing parcel easement) on the north, parcel boundaries on the east, Naples Avenue on the south, and Wabash Avenue (existing City of Redlands boundary) on the west.

In the past, the Commission has expressed its concern regarding the piecemeal approach to annexations in the Mentone/Crafton communities and directed staff to review the expansion of any proposal submitted to create a more logical and efficient boundary. For this particular annexation, it would be ideal to include a full-block area as its boundary. However, in this case, the parcels needed to address a full-block type of annexation have land values that are at least seven (7) times the total value of the current annexation area. Therefore, expansion would potentially terminate the proposal based on landowner protest.

LAFCO staff has conducted a survey of surrounding property owners regarding their position on annexing their parcels to the City. Two out of the seven property owners notified have responded indicating their opposition to annexation. As of this date, LAFCO has not received the responses from the five other property owners. (If any additional information is received after the publication of this report, it will be provided to the Commission during the hearing)

Staff believes that the annexation proposal cannot be easily expanded without risking termination. In the event the annexation fails, the property owner, who requires sewer service due to a failing septic system, cannot receive sewer service from the City because of Measure "U" requirements that require annexation of contiguous property. In addition, the City of Redlands opposes expanding the proposal since it does not wish to force annexations within the Mentone community, which has historically opposed annexations.

LAND USE:

As outlined above, the study area includes an existing commercial building on one parcel and a storage yard on the other. The study area is surrounded by: to the west (within the City of Redlands) a commercial shopping center, to the north a fuel service station and vacant property, to the east a mix of single-family residences with scattered commercial uses, and to the south vacant, undeveloped land. The north, east and south areas are within the unincorporated sphere of influence of the City of Redlands.

The City's General Plan land use designation for the area is Commercial. The current County land use designation for the annexation area is CG (General Commercial). The land use determinations between the City and County are generally compatible.

The City pre-zoned the annexation area C-4 (Highway Commercial), which is consistent with the City's General Plan designation. Although the existing storage yard is not a permitted use in the C-4 land use district, the City is

permitting the storage yard on APN 0298-042-18 based on current approvals through the County.

SERVICES:

The City of Redlands has submitted a plan for the extension of municipal services for the annexation area as required by law and Commission policy (included as part of Attachment #3 to this report). The City's application also provides an outline of the City's fiscal impact study, required by LAFCO policy for a Plan for Service, indicating that the project will have a positive financial effect for the City. In general, the Plan identifies the following:

• Fire protection is currently provided by County Service Area 38 through the San Bernardino County Consolidated Fire Agency and would be replaced by the City of Redlands Fire Department upon annexation. The City indicates that its Fire Department has sufficient personnel and equipment to adequately serve the project area.

However, the County is anticipated to be the first to respond to any emergency or non-emergency calls within the annexation area as provided in the City and County's automatic aid agreement (see Attachment #4). This agreement specifically stipulates that the County will provide "first response" within the four areas identified in the agreement, one of which is LAFCO 3030. The County's closest fire station, Station No. 9, is generally located at the northeast corner of Mentone Boulevard and Crafton Avenue, approximately one (1) mile from the annexation area.

Paramedic services are currently funded within the City through a special paramedic tax assessment. Upon annexation, the parcel with the existing commercial building (classified under commercial and industrial with 0–4,999 sq. ft. of floor area) will be subject to this assessment which is estimated to be approximately \$39.70 per year. For the parcel that is currently used as a storage yard, the City has indicated that it will consider the total square footage of the entire lot as the basis for its calculation since the entire parcel is used for storage. Therefore, the parcel (classified under commercial and industrial with 10,000-19,999 sq. ft.) will be subject to this assessment which is estimated to be approximately \$119.20 per year.

• Law enforcement responsibilities will shift from the San Bernardino County Sheriff's Department to the City of Redlands. The City indicates that its Police Department has sufficient personnel and equipment to adequately serve the project area. The City Community Policing Station

that would serve the proposed annexation area is located at 1381 East Citrus Avenue – a distance of 3.8 miles from the annexation area.

Given that the area is adjacent to an existing patrol beat, the City of Redlands can provide law enforcement service to the area efficiently and effectively.

- Sewage collection services will be provided by the City of Redlands. Sewer system treatment and trunk sewer capital costs are offset by development impact fee charges, while operation and maintenance costs will be offset by user fees.
- Water service is currently being provided by the City of Redlands to the
 existing commercial building. The City will provide water service to the
 other parcel, which currently has no water connection, upon request of
 the property owner. Water system production and transmission capital
 costs are offset by development impact fee charges, while operation and
 maintenance costs will be offset by user fees.
- Upon annexation, the parcels will also have an additional special tax assessment of 0.0135 percent of the assessed valuation of the property to fund the City's Measure "O" debt service. This bond measure was passed in 1987 to fund the purchase of land for parks, recreation, citrus preservation, and open space within the City.

As required by Commission policy and State law, the Plan for Service submitted by the City of Redlands shows that the extension of its services will maintain, and/or exceed, current service levels provided through the County. The City's fiscal impact analysis, required as a part of the Plan for Service by Commission policy, indicates the project will have a positive cost-benefit ratio upon annexation.

ENVIRONMENTAL:

The City of Redlands prepared an environmental assessment and Negative Declaration for Zone Change No. 423 related to the pre-zoning of the annexation area. Mr. Dodson has determined that, if the Commission approves LAFCO 3030, the City's Initial Study and Negative Declaration are adequate for Commission's use as a responsible agency under CEQA. Mr. Dodson recommends that the following actions be taken by the Commission as a responsible agency:

- a) Certify that the Commission, its staff and its Environmental Consultant have independently reviewed and considered the City's Initial Study and Negative Declaration for Zone Change No. 423;
- b) Determine that the City's environmental assessment and Negative Declaration are adequate for the Commission's use as a CEQA Responsible Agency for its consideration of LAFCO 3030;
- c) Determine that the Commission does not intend to adopt alternatives or mitigation measures for this project, and that mitigation was not required for the project;
- d) Direct the Clerk to file the Notice of Determination within five (5) days and find that no further Department of Fish and Game filing fees are required by the Commission's approval since the City, as lead agency, has paid said fees for its environmental determination.

WAIVER OF PROTEST PROCEEDINGS:

The Registrar of Voters has certified that the study area is legally uninhabited and the County Assessor's Office has verified that the study area possesses 100% landowner consent to the annexation. Therefore, if the Commission approves LAFCO 3030, staff is recommending that it waive further protest proceedings, and direct the Executive Officer to complete the action as no objection to the annexation has been received from any affected agencies.

FINDINGS:

The following determinations are required to be provided by Commission policy and Government Code Section 56668 for any change of organization/reorganization proposal.

- 1. The Registrar of Voters Office has certified that the annexation area is legally uninhabited, containing zero (0) registered voters as of April 3, 2006.
- 2. The annexation area is within the sphere of influence assigned the City of Redlands, within the Mentone community.
- 3. The County Assessor has determined that the total assessed value of land and improvement within the annexation area is \$81,901 (land \$31,556 -- improvements \$50,345) and that there is 100% landowner consent to the annexation.

- 4. Commission review of this proposal has been advertised in *The Sun* and the *Redlands Daily Facts*, newspapers of general circulation within the study area. Individual notice has been provided to affected and interested agencies, County departments, and those individuals and agencies having requested such notification.
- 5. LAFCO staff has provided an individual notice to the landowner within the annexation area (1 notice), and to landowners and registered voters surrounding the study area (49 notices) in accordance with State law and adopted Commission policies. To date, no written comments or opposition have been received regarding the consideration of this proposal.
- 6. The City of Redlands has pre-zoned the study area C-4 (Highway Commercial). This zoning designation is consistent with the City's General Plan and is generally compatible with the surrounding land uses in the area. Pursuant to the provisions of Government Code Section 56375(e), this zoning designation shall remain in effect for two years following annexation unless specific actions are taken by the City Council.
- 7. The Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed the City of Redlands' Initial Study and Negative Declaration for Zone Change No. 423 related to the pre-zoning of the annexation area. Mr. Dodson has determined that the City's Initial Study and Negative Declaration are adequate for the Commission's review of the annexation proposal as a responsible agency. A copy of the City's environmental assessment is included as Attachment #5 to this report.
- 8. The area in question is presently served by the following local agencies:

County of San Bernardino
San Bernardino Valley Municipal Water District
Inland Empire Resource Conservation District
San Bernardino Valley Water Conservation District
County Service Area 70 Improvement Zone P-7 (inactive park and recreation district within the Mentone community)
County Service Area 38 (fire protection)
County Service Area 70 (multi-function unincorporated area Countywide)

Detachment of County Service Area 70 and its Improvement Zone P-7 and County Service Area 38 will automatically occur upon successful completion of this proposal, pursuant to the provisions of Government Code Section 25210.90. None of the other agencies are affected by this proposal as they are regional in nature.

9. The City of Redlands has submitted a plan for the extension of municipal services to the study area, as required by law. This plan is included as a part of Attachment #3 to this report and indicates that the City can maintain and/or improve the level and range of services currently available in the area.

As a result of the negotiations between the City and the County regarding fire protection within the area, an automatic aid agreement was signed by both parties after the City certified the Plan for Service for the proposed annexation. Therefore, the Plan for Service is being modified to include the provision that both the City and the County will provide emergency fire response to the annexation area. In addition, the contract also stipulates that the County will be the first to respond to any emergency or non-emergency calls within the four areas identified in the agreement, one of which is LAFCO 3030.

- 10. The annexation proposal complies with Commission policies that indicate the preference for areas proposed for development at an urban-level land use to be included within a City so that the full range of municipal services can be planned, funded, extended and maintained.
- 11. The annexation area can benefit and has benefited from the availability and extension of municipal services from the City of Redlands.
- 12. This proposal will not assist in the City's ability to achieve its fair share of the regional housing needs since the entire annexation area is zoned for commercial uses.
- 13. The County of San Bernardino and the City of Redlands have successfully negotiated a transfer of property tax revenues that will be implemented upon completion of this annexation. This fulfills the requirements of Section 99 of the Revenue and Taxation Code.
- 14. The map and legal description, as revised, are in substantial compliance with LAFCO and State standards through certification by the County Surveyor's Office.

CONCLUSION:

The property owner of the two parcels within the annexation area submitted this proposal in order to receive sewer service from the City of Redlands to the parcel with an existing commercial building. The other parcel was also included in the annexation proposal to consolidate the property owner's land holdings under a

single jurisdiction. The City has indicated its support for this application (see Attachment #6) and has certified the Plan for Service.

Staff supports the City's proposal since the City's Municipal Code clearly states that all projects that are contiguous to the City's boundaries must annex prior to receiving service and the application responds to this requirement.

For this reason, and those outlined within the staff report, staff recommends approval of LAFCO 3030.

SM/

Attachments:

- 1. Vicinity Maps and Annexation Area Maps
- 2. Chapter 13.62 of the City's Municipal Code
- 3. Application Submitted by the Property Owner and Plan for Service Certified by the City of Redlands
- 4. Copy of Automatic Aid Agreement Between the County and the City for Fire Protection
- 5. Environmental Response from Tom Dodson and Associates Including the City of Redlands' Environmental Assessment for Zone Change No. 423
- 6. City of Redlands' Letter In Support of Application
- 7. Draft Resolution No. 2930